

Agenda Report



MEETING DATE: Tuesday, February 25, 2025

TO: City Council

FROM: PUBLIC WORKS & UTILITIES DIRECTOR LINDBERG
PUBLIC WORKS ADMINISTRATIVE SERVICES MANAGER GORDO

SUBJECT: AUTHORIZATION TO ESTABLISH A BLANKET PURCHASE
ORDER WITH PAPÉ MACHINERY, FOR AN AMOUNT NOT
EXCEED \$200,000 PER YEAR FOR THE NEXT THREE FISCAL
YEARS

RECOMMENDED ACTION:

It is recommended that the City Council adopt a resolution authorizing the establishment of a purchase order with Papé Machinery, for an amount not to exceed \$200,000 per year for the next three (3) fiscal years.

BACKGROUND:

Requesting approval establishing a blanket purchase order with Papé Machinery for an amount not to exceed \$200,000 per year for the next three (3) fiscal years for equipment repair and maintenance services for the City's heavy equipment fleet.

DISCUSSION:

The City relies on external companies to provide repair and maintenance services for its fleet of backhoes, loaders, and other heavy-duty equipment. PAPÉ Machinery, the authorized service and parts distributor for brands such as John Deere in our region, plays a crucial role in this process. As a result, PAPÉ Machinery is a sole source vendor since they are the exclusive provider of parts and service to John Deere equipment in our geographic area. The City's fleet includes 20 pieces of John Deere equipment spread across various departments. The repair work performed by companies like PAPÉ Machinery complements the efforts of the Fleet Maintenance Division, ensuring that our heavy equipment remains in proper working order.

Given the significant investment of millions of dollars in our heavy equipment, it is essential to conduct repairs and services routinely to protect our return on investment. Moreover, the Fleet Maintenance Division lacks the capacity to meet the service demands for this highly specialized equipment effectively. Therefore, staff is requesting approval for a blanket purchase order not to exceed \$200,000 per year with PAPÉ Machinery for the next three (3) fiscal years.

STRATEGIC PLAN:

This contract is consistent with the following Strategic Plan Priorities:

2-Infrastructure & Environment

7-Efficient and Well-performing Government

FINANCIAL IMPACT:

Funds for this purchase order will be paid through the repair and maintenance account in the operational budgets of the respective groups that operate heavy equipment; these include the Water Enterprise Fund, Solid Waste Enterprise and General Fund.

ALTERNATIVE ACTION:

No reasonable alternatives are known currently.

ATTACHMENTS AND/OR REFERENCES (If any):

None